

SUPREME COURT OF INDIA REPORTABLE
Bench: Justices Surya Kant and K.V. Viswanathan
Date of Decision: 12 March 2024

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL Nos. ARISING OUT OF SLP (Civil) Nos. 13065/2022, 9897/2022, 10982/2022, 14054/2022, 13826/2022, 13864/2022, 14053/2022, 14055/2022, 13876/2022, 14048/2022, 13950/2022, 13948/2022, 13827/2022, 14045/2022, 13949/2022, 13859/2022, 13873/2022, 13877/2022, 11398/2022, 10980/2022, 10007/2022, 10176/2022, 9860/2022, 11163/2022, 10570/2022, 11170/2022, 14052/2022, 14046/2022, 13825/2022, 14050/2022, 12949/2022, 13947/2022, 10081/2022, 10014/2022, 2284/2023, and others.

THE EXECUTIVE ENGINEER, KNNL ...APPELLANT

VERSUS

SUBHASHCHANDRA & ORS. ...RESPONDENTS

Legislation:

Land Acquisition Act, 1894

Subject: Civil appeals challenging the enhanced compensation amounts for land acquisition awarded by the Karnataka High Court for various projects in Karnataka, and subsequent remand of these cases by the Supreme Court for reconsideration by the High Court.

Headnotes:

Land Acquisition Compensation – Enhanced Compensation - analyzed the judgements of the Karnataka High Court relating to enhanced compensation for land acquired by the State for various irrigation projects. The Court reviewed the acquisition process and compensation awards made by the Special Land Acquisition Officer (SLAO), Reference Court, District Court, and the High Court for the acquired lands under different projects such as Bennethora, Amarja, and Lower Mullamari. The amounts varied significantly, leading to inconsistencies in compensation rates. [Para 4-7]

Land Acquisition Act, 1894 – Interpretation – The Court scrutinized the compensation determination process under the Land Acquisition Act, 1894, in the context of the acquisition for irrigation projects in Karnataka. The judgement includes an extensive analysis of the procedural history and judicial decisions at various levels, providing insight into the application of the Act in large-scale land acquisitions. [Para 5-7, 10-11]

Judicial Review – Consistency and Uniformity in Compensation – The Court observed a lack of consistency and uniformity in the compensation awarded by the High Court across different cases and projects. This observation was based on the earlier judgement in Annarao @ Anveerappa case, which led to remanding several cases for reconsideration. The Supreme Court

emphasized the need for uniformity in awarding compensation, especially in cases related to the same broader acquisition. [Para 8, 14]

Remand to High Court – Fair and Uniform Compensation – The Court directed the remanding of the present cases to the High Court for a fresh and holistic review. The aim is to achieve uniformity in compensation awards for similarly situated landowners and ensure justice in the context of the subject acquisitions. The Court instructed the High Court to consider all relevant aspects without reducing compensation already paid in some cases. [Para 14-17]

Decision – The Supreme Court disposed of the civil appeals, directing a comprehensive re-examination by the High Court. The High Court is to reassess the compensation in accordance with legal principles and previous rulings, and to expedite the process considering the age of the acquisitions. [Para 17-18]

Referred Cases:

- The Executive Engineer, KNNL Vs. Annarao @ Anveerappa & Anr., C.A. No. 2591/2022

JUDGEMENT

SURYA KANT, J.

1. Permission to file special leave petition is granted in Diary No.12213/2023.
2. Delay condoned.
3. Leave granted.
4. These civil appeals impugn the judgements dated 28.02.2017, 28.11.2017, 15.02.2018, 20.02.2018, 21.02.2018, 02.03.2018, 22.03.2018, 06.04.2018, 13.04.2018, 26.04.2018, 07.12.2018, 12.12.2018, 14.01.2020, 24.01.2020 and 03.03.2021, passed by the High Court of Karnataka at Kalaburagi Bench, whereby compensation for the acquired land was enhanced. The appellant-Karnataka Neeravari Nigam Limited (in short, “Corporation”) claims to be the beneficiary of the subject acquisition.

5. The Corporation has been entrusted with the assignment to plan, execute and operate drinking water and irrigation projects and schemes in the State of Karnataka. About 13000 acres of land was acquired by the State of Karnataka for the appellant Corporation for various projects like (1) Bennethora Project (2) Gandori Nala Project (3) Lower Mullamari Project and (4) Amarja Project. Certain civil appeals also refer to a fifth project, namely, the Upper Tunga Project. This huge chunk of land measuring 13000 acres also included the parcels of lands owned by the respondent-land owners of different villages. The acquisition was carried under the Land Acquisition Act, 1894 (in short, "Act"). The present civil appeals pertain to the Bennethora Project, Lower Mullamari Project and Amarja Project situated in Kalaburagi, Karnataka.

6. The acquisition proceedings in these appeals, as per the project-wise classification, progressed as follows-

(i) **Bennethora Project**

a) Civil Appeal Nos.4053, 4054, 4055, 4956, 4061, 4064, 4065, 4066, 4067, 4068, 4069, 4070, 4071, 4072, 4073, 4074, 4075, 4076, 4077, 4078, 4079, 4080, 4081, 4082, 4083, 4085, 4086, 4087 of 2024 pertain to this project. In this batch of civil appeals coming under the Bennethora Project, land measuring a consolidated total of **131 acres and 451 guntas (Approx. 142 acres)** was acquired through different notifications issued under Section 4 of the Act followed by declarations under Section 6 of the Act. The Section 4 notifications and the Section 6 declarations were issued on the following dates-

Date of Section 4 Notification	Date of Section 6 Notification
18.02.1982	10.05.1984

17.03.1983	23.02.1984
05.04.1990	22.11.1990
05.07.1990	09.05.1991
23.08.1990	04.04.1991
07.02.1991	28.11.1991
16.05.1991	26.03.1992
13.06.1991	20.12.1991
19.06.1991	17.12.1992
11.07.1991	27.08.1997
06.08.1992	13.01.1994

b) The Special Land Acquisition Officer (in short, “SLAO”) passed the awards for the acquired lands on different dates, whereby compensations were granted at the following rates-

Date of SLAO award	Compensation granted by SLAO (Rupees/acre)
23.01.1985	3,167
28.02.1985	3,500
08.01.1991	5,400
20.05.1991	6,000 for wet lands
15.06.1992	9,800
30.01.1993	28,000 for dry lands & 42,000 for wet lands
03.02.1993	15,000
22.11.1993	15,000
27.11.1993	15,000
24.12.1993	15,000
31.05.1994	9,000

c) The rates of compensation awarded by the SLAO were enhanced by the Reference Court, keeping in view the year when the acquisition process commenced. The enhanced compensation amounts granted by the Reference Court was further enhanced, upon appeal, by the District Court.

d) The dissatisfied landowners further approached the High Court for a higher compensation, which was subsequently granted vide the impugned judgements. The original rates of

compensation awarded by the SLAO, the enhanced

compensation amounts granted by the Reference Court, the compensation amounts as further enhanced by the District Court and impugned compensation amounts granted by the High Court, vide the impugned judgements, can be understood as follows-

Amount granted by SLAO (Rupees/acre)	Amount granted by Reference Court (Rupees/acre)	Amount granted by District Court (Rupees/acre)	Amount granted by the High Court (Rupees/acre)
3,167	11,000	19,000	1,09,034
3,500	11,000	26,100	83,500
5,400	25,500	50,500	1,52,059
15,000	28,500	74,000	1,64,223
15,000	32,000	74,000	1,64,223
9,000	32,000	67,000	1,76,388
15,000	32,000	81,400	1,76,388
6,000	36,000	Rs.90,200	2,28,088 for wet lands
28,000 for dry lands & 42,000 for wet lands	42,000 for limited extent of land instead of 28,000	55,888 for dry lands & 83,832 for wet lands	1,52,059 for dry lands & 2,28,088 for wet lands
9,800	42,000	75,750	1,64,223 for
			dry lands & 2,46,334 for wet lands

(ii) Amarja Project

a) Civil Appeal Nos.4057, 4058, 4059, 4060 & 4062, 4084 of 2024 pertain to this Project. In the batch of civil appeals coming under the Amarja Project, land measuring a consolidated total of **15 acres 83 guntas (Approx. 17 acres)** was acquired through a notification issued under Section 4 of the Act followed by a declaration under

Section 6 of the Act. The Section 4 notification and the Section 6 declaration were issued on the following dates-

Date of Section 4 Notification	Date of Section 6 Notification
07.04.1988	06.07.1989

b) Thereafter, the SLAO passed the award for the acquired lands whereby compensations was granted at the following rate-

Date of SLAO award	Compensation granted by SLAO (Rupees/acre)
06.03.1990	7,000

c) The rate of compensation awarded by the SLAO was enhanced by the Reference Court, keeping in view the year when the acquisition process commenced. The enhanced compensation amount granted by the Reference Court was further enhanced, upon appeal, by the District Court.

d) The dissatisfied landowners further approached the High Court for a higher compensation, which was subsequently granted vide the impugned judgements. The original rate of compensation awarded by the SLAO, the enhanced compensation amount granted by the Reference Court, the compensation amount as further enhanced by the District Court and impugned compensation amount granted by the High Court, vide the impugned judgements, can be understood as follows-

Amount granted by SLAO (Rupees/acre)	Amount granted by Reference Court (Rupees/acre)	Amount granted by District Court (Rupees/acre)	Amount granted by the High Court (Rupees/acre)
7,000	30,000	79,200	1,78,429

(iii) Lower Mullamari Project

a) Civil Appeal Nos. 4063, 4088, 4089 of 2024 pertain to this Project. In the batch of civil appeals coming under the Lower Mullamari Project, land measuring a consolidated total of **19 acres 59**

guntas (Approx. 20 acres) was acquired through notifications under Section 4 of the Act followed by declarations under Section 6 of the Act, which were issued on different dates.

The Section 4 notifications and the Section 6 declarations were issued on the following dates-

Date of Section 4 Notification	Date of Section 6 Notification
30.05.1991	11.05.1992/ 03.09.1992
14.01.1993	07.04.1994
04.03.1993	07.04.1994

b) Thereafter, the SLAO passed the awards for the acquired lands on different dates, whereby compensations were granted at the following rates-

Date of SLAO award	Compensation granted by SLAO (Rupees/acre)
04.05.1983	8,000 for dry lands & 10,000 for wet lands
18.11.1995	10,000 for dry lands & 15,000 for wet lands
01.01.1996	8,000

c) The rates of compensation awarded by the SLAO were enhanced by the Reference Court, keeping in view the year when the acquisition process commenced. The enhanced compensation amounts granted by the Reference Court was further enhanced, upon appeal, by the District Court.

d) The dissatisfied landowners further approached the High Court for a higher compensation, which was subsequently granted vide the impugned judgements. The original rates of compensation awarded by the SLAO, the enhanced compensation amounts granted by the Reference Court, the compensation amounts as further enhanced by the District Court and

impugned compensation amounts granted by the High Court, vide the impugned judgements, can be understood as follows-

Amount granted by SLAO (Rupees/acre)	Amount granted by Reference Court (Rupees/acre)	Amount granted by District Court (Rupees/acre)	Amount granted by the High Court (Rupees/acre)
8,000 for dry lands & 10,000 for wet lands	70,000	-	1,15,086
10,000 for dry lands & 15,000 for wet lands	50,000 for dry lands & 75,000 for wet lands	-	1,24,992 for dry lands & 1,86,440 for wet lands
8,000	33,000	74,750/75,543	1,33,500

7. It may thus be seen that the enhancement in the compensation granted by the High Court varies from project to project and while the minimum amount is Rs.83,500/- per acre, the maximum amount is seen to have gone up to Rs.1,78,429/- per acre for dry lands and Rs. 2,46,334/- for wet lands.
8. Having regard to the big chunk of land acquired for different projects referred to above, at different points in time, the enhancement made by the High Court in a few cases, where the compensation of Rs.1,20,814/- per acre for dry lands and Rs.1,81,221/- per acre for wet lands was awarded, came to be challenged before this Court in a batch of appeals, including C.A. No.2591/2022 (The Executive Engineer, KNNL Vs. Annarao @ Anveerappa & Anr.), in which this Court, vide Judgment dated 10.05.2022, having found that the High

Court has not analyzed each case independently, much less notification wise, concerning particular village or area and that the parameters delineated in various decisions of this Court were not adverted to, held as

follows:

“In the impugned judgment(s) and order (s), the High court has made no effort to analyze the concerned case(s) either notification-wise or for that matter, village-wise, including the other parameters required to be observed for arriving at a just compensation amount.

Further, in most of the appeals, the appellant (Karnataka Neeravari Nigam Limited} was not made party in the appeal proceeding before the High Court.

It is also the grievance of the appellant that most of the cases, entertained at the instance of land owners, were grossly delayed and yet they have been granted enhancement, and in some cases along with interest.

The fact remains that the High Court in the impugned judgment(s) and order(s} has not analyzed each case independently much less notification-wise concerning particular village or area and keeping in mind the parameters delineated in the reported decision, adverted to earlier.

In our opinion, it is appropriate that the parties are relegated before the High Court for reconsideration of the entire matter afresh and in accordance with law.

Learned counsel appearing for the land owners were at pains to point out that some matters pertaining to some of the notifications, referred to in the present appeal proceedings, have reached upto this Court and decided in favour of the land owners, including in some cases the appellants have acted upon the decision by paying compensation amount. Even the effect of such orders passed by this Court can be examined by the High Court on its own merits and in accordance with law.

Accordingly, we keep all contentions available to both sides open, to be considered by the High Court on its own merits and in accordance with law.

The impugned judgment(s) and order(s) are set aside and the concerned appeals/petitions are remanded to the High Court for reconsideration in the above terms.

The parties to appear before the High Court on 11.07.2022, when the High Court may assign suitable date for hearing of the concerned batch of cases which, as aforesaid, must proceed

notification-wise pertaining to concerned village as a separate group.

Needless to observe that some of the notifications pertain to the year 1983, therefore, it would be appropriate that the High Court disposes of the appeal(s) expeditiously. The appeals are disposed of in the above terms.”

9. The High Court judgments, which were set aside and the cases remanded back for fresh consideration, also included the judgments rendered by the High Court in MSA No.200020/2018 (LAC) titled Rajshekhhar s/o Sangappa deceased by Lrs. vs. The Special Land Acquisition Officer, MSA No.200014/2018 (LAC) titled Kalappa S/o Paudappa v. The Special Land Acquisition Officer and MSA No.200147/2017 (LAC) titled Motibee W/o Mashak Patel v. The Spl. Land Acquisition Officer & Anr. decided on 19.02.2018, 21.02.2018 and 09.01.2018 respectively, awarding compensation of Rs.1,64,223/acre, Rs.1,64,223/acre and Rs.1,52,059/acre respectively for the dry lands. Consequently, Rajshekhhar's case (supra) has also been remanded to the High Court for fresh adjudication. The abovementioned judgements of the High Court had in turn placed reliance on MSA No. 200055/2016 (LAC) titled Malkajappa @ Mallikarjun vs. The Special Land Acquisition Officer & Anr. decided by the High Court on 13.03.2017, which has also been remanded to the High Court vide this Court's order dated 10.05.2022 in Annarao @ Anveerappa case (supra).

10. We find that in the present batch of appeals, the brief impugned order passed by the High Court in CA No.4053/2024, has solely relied upon its own decision in Rajshekhhar's case (supra). In some of the other appeals, namely CA Nos. 4954, 4055, 4056, 4064, 4065, 4066, 4067, 4068, 4079, 4080, 4081, 4082, 4083, 4087 and 4088 of 2024, the High Court has relied upon its decision in

Malkajappa @ Mallikarjun (supra), Kalappa (supra) (which placed reliance on Malkajappa @ Mallikarjun (supra)) and Motibee (supra)(which placed reliance on Malkajappa @ Mallikarjun (supra)).

These judgments did not find favour with this Court in Annarao @ Anveerappa case (supra), whereby the matters have been remanded to the High Court for reconsideration.

11. Learned senior counsel for the appellant-Corporation, submits that after the remand, the matter has been heard in part by the High Court.

12. On the other hand, learned senior counsel for the respondents-land owners submits that there are numerous cases in which similarly placed land owners have already been paid compensation at enhanced rate granted by the High Court. Those judgments of the High Court have attained finality and are not subject matter of these appeals.

13. Learned senior counsel for the appellant(s), however, counters this submission, as according to him, those matters pertain to different villages and the respondents cannot claim parity with those cases.

14. We have considered the rival submissions made by learned senior counsel for the parties. It is not in dispute that a batch of cases has been remanded by this Court for reconsideration by the High Court, as seen above. It is also an admitted fact that those matters pertain to the same broader acquisition, though they possibly pertain to different projects. In a peculiar situation where some of the judgments of the High Court attained finality as the compensation amount, as enhanced, stands paid whereas the others are still subject matter of adjudication, we deem it appropriate to remand these cases

also to the High Court so that a holistic view pertaining to the subject acquisition, at least project wise, can be taken by the High Court. The High Court will make an endeavour to infuse uniformity in the matter of award of compensation, to the extent it is possible, in accordance with law.

15. It goes without saying that the High Court, while undertaking this exercise, will not reduce the compensation to a rate which has already been paid to some of the land owners and which has attained finality. The rest of the contentions from both sides are kept open to be gone into by the High Court.

16. It is clarified that we have not expressed any opinion on the merits of the case.

17. The parties are directed to appear before the High Court of Karnataka at Kalaburagi Bench on 18.03.2024. We request the High Court to take up these matters also, along with the Rajshekhhar's case (supra) and other cases, which are already part heard before the High Court. Since the acquisition is more than three decades old, we request the High Court to decide the matters expeditiously and preferably within three months from the date of this judgement.

18. The instant civil appeals are disposed of in the above terms.

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